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## Taiwan

**Post:** Taipei

### October 1 Update on the 2010 Rice CSQ Tender

**Report Categories:**

Grain and Feed

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**Report Highlights:**

On October 1, Taiwan awarded 15,500 tons of U.S.-origin medium/short grain brown rice for delivery by February 28, 2011, and 2,000 tons of Thai-origin long grain milled glutinous for delivery by January 31, 2011.

For 2010, Taiwan has contracted for 80,300 tons (50,100 tons under tradition and 30,200 tons under SBS) of its 2010 rice CSQ commitment marking a tender completion rate of 85 percent. The U.S. 2010 rice CSQ tender completion rate stands at 88 percent (47,800 tons under traditional and 9,200 tons under SBS tender).

**Executive Summary:**

On October 1, Taiwan held four traditional tenders, two for U.S. rice CSQ, and one each for Thai and Australian rice.

Taiwan completed the remaining 8,000 tons U.S. rice left over from a September 29 tender and partially completed a 15,134 tons U.S.-origin medium/short grain tender by successfully awarding 7,500 tons. The remaining 7,634 tons of this tender will be scheduled for its second tender soon. Taiwan has contracted for 88 percent of the 2010 U.S. rice CSQ.

A tender of 2,000 tons of Thai-origin long grain milled glutinous rice was also concluded on October 1. As a result, Taiwan has contracted the full 2010 Thai rice CSQ. However, a tender for 6,134 tons of Australian-origin medium/short grain brown rice failed its third tender on October 1 thus making this rice available for tendering on a global basis.

**General Information:****Results of tenders from October 1, 2010**

GF4-99-0180-1 for the remaining 8,000 tons U.S.-origin medium/short grain brown rice for delivery by February 28, 2011

Taiwan completed 10,000 tons of the tender during the first tendering process on September 29. The remaining 8,000 tons was awarded on October 1 to three out of five bidders who participated. One bidder was awarded 2,500 tons at NT\$15,220/mt (\$805/mt) while the other two bidders were awarded 2,500 tons and 3,000 tons respectively at the price of NT\$24,899/mt (\$795/mt). The delivery term is for delivery by February 28, 2011.

GF4-99-0195 for 15,134 tons U.S.-origin 2010 crop medium/short grain brown rice for delivery by February 28, 2011

Taiwan partially completed this rice tender at the first tendering. Two out of six bidders who participated in the bid were awarded 2,500 tons and 5,000 tons respectively at the same price of NT\$24,899/mt (\$795/mt).

Scheduling for the remaining 7,634 tons will be determined later.

GF4-990-140-2 for 2,000 tons of Thai-origin long grain glutinous milled rice (2,300 tons brown equivalent) for delivery by January 31, 2011

Three Thai rice handlers participated in the bid. Two were successful and were awarded 1,000 tons each at the price of NT\$32,969/mt (\$) and NT\$34,990/mt, respectively. The rice was contracted for a delivery period by January 31, 2011.

GF4-990-070-2 for 6,134 tons of Australian-origin medium/short grain brown rice for January 31, 2011 delivery

One Australian rice handler participated in the bid, but failed the technical tender due to high kernel damage. This tender has failed three tenders which were held on June 22, July 22 and September 29, respectively. The next tender will be scheduled soon but on a global quota basis.

Exchange rate was NT\$31.33 to \$1 on October 1, 2010

**Table 1: The 2010 CSQ under SBS Tender**

| 2010 SBS Allocation Plan in metric tons:  |              |              |              |
|---|--------------|--------------|--------------|
|   | 1st Tranche  | 2nd Tranche  | Total        |
| Australia   | 6,500        | 6,000        | 12,500       |
| Egypt   | 0            | 2,500        | 2500         |
| Thailand  | 4,000        | 2,000        | 6,000        |
| <b>USA</b>  | <b>6,000</b> | <b>3,200</b> | <b>9,200</b> |
| Total   | 16,500       | 13,700       | 30,200       |
| Taiwan completed the first tranche of 16,500 tons of SBS tenders on 2/11/2010 for importation by 12/31/2010; and 13,700 tons of the second tranche of SBS tenders completed on 06/22/2010 for importation by 04/30/2011 |              |              |              |

**Table 2 – Taiwan's 2010 Country-Specific Quota (CSQ) for Public Sector Imports (10/01/2010 update)**

| <b>Country</b>   | <b>Traditional Tender System(MT)</b> | <b>Completed</b> | <b>Remaining</b> |
|--|--------------------------------------|------------------|------------------|
| Egypt  | 0                                    | 0                | 0                |
| Thailand   | 2,300*                               | 2,300            | 0                |
| Australia  | 6,134*                               | 0                | 6,134            |
| USA  | 55,434                               | 47,800           | 7,634            |
| 2009 Total   | 63,868                               | 50,100           | 13,768           |
| <p>As of October 1, Taiwan has completed 47,800 tons of U.S. rice CSQ under traditional tender. The first tranche of 20,000 tons completed on 04/20/2010 for delivery by 8/31/2010; 1,150 tons of glutinous rice completed on 06/22/2010 for delivery by 12/31/2010; 1,150 tons of glutinous rice and 10,000 tons of medium/short grain rice completed on 9/9/2010 for delivery by 1/31/2011; 15,000 tons of medium/short grain brown rice on 10/01/2010 for delivery by 02/28/2011. The tendering for the remaining 7,634 tons of U.S.-origin CSQ rice under traditional tender will be scheduled soon. Thai-origin 2,300 tons of long grain glutinous rice was completed on 10/01/2010 at the third tender.</p> <p>*As for 6,134 tons of Australia-origin rice, it failed three tenders and will be opened in the global quota in the next tender.</p> |                                      |                  |                  |